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Letter dated 11 October 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to convey hereunder our comments on the allegations and lies contained in the letter dated 18 September 2000 from the Permanent Representative of Kuwait addressed to you (S/2000/876).

In his letter, the representative of Kuwait tries to sow confusion by distorting the facts and inflating matters with regard to statements that are of a technical character and seek to limit Kuwaiti encroachments on Iraq's oil, which is being systematically misappropriated on a daily basis, and he makes a shameful attempt to cloak the actions being taken with mendacious allegations of security-related and military threats that are not to be found in the statements of Iraqi oil officials. What Iraq did was to speak of a plan for technical measures to halt the theft by drilling wells on the Iraqi side in order to halt the transfer of oil and to present irrefutable facts backed by documents, maps, reservoir data, the monitoring of well pressures and movements of drilling and completion rigs on the Kuwaiti side. All of these indicate that Kuwait is stealing and plundering Iraqi oil. Iraq's evidence for this is set forth hereunder.

I. Some Iraqi oilfields extend into Kuwaiti territory, and they include the Rumaylah South and Zubayr fields. Rumaylah extends into the Ratkah area and Zubayr into the Safwan (Abdali) area. Kuwait had few wells in these two fields, only eight in Ratkah and four in Safwan (Abdali). Production from the fields on the Kuwaiti side was modest because the oil there was associated with large quantities of water, and prior to 1990 it was no more than a few thousand barrels a day. After the new boundary demarcation, however, as a result of which many Iraqi oil wells in both fields fell beyond the boundary line, Kuwait proceeded to make announcements and to invite American and British companies to sign long-term contracts for the exploitation of its fields in the north, and these included the two fields in question.

The companies began intensive activity in 1995 and started work by bringing in heavy drilling and completion equipment to work directly on the Iraqi wells that were now beyond the berm marking the new boundary. Frenzied and extensive drilling and completion activity was noted in these two border areas, as was evident from movements of drilling and completion rigs the like of which the area had never seen before. By way of example, 11 completion rig movements and eight drilling rig movements were observed between July 1997 and July 1998 at a location no more than four square kilometres in area in the Ratkah field in the section that had passed to Kuwait and was positioned over the southern extension of the Upper Sujayl reservoir.

By monitoring the situation, Iraq noted almost constant activity and the sinking of wells no more than 50 metres from the boundary line using advanced drilling

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techniques to double the output of old and new wells in the Ratkah and Safwan Dome fields in the border area. There came to be 23 wells, drilled and announced, in Ratkah and 17 in Safwan (Abdali).

As a result of the intensive drilling work and the use of new technologies by the American companies, Kuwait was able to achieve a four-fold increase in production from the Ratkah field over the 1990 level, reaching 45,000 barrels a day. Similarly, in the Safwan field production rose to 33,000 barrels a day. This caused a fall in reservoir pressure and a transfer of oil from the Iraqi side to the Kuwaiti side that is estimated in the reservoir studies conducted by Iraq at more than 50 million barrels at an annual rate of not less than 25 million barrels. Kuwait has exploited the conditions created by the embargo and the suspension by the Security Council Committee established by resolution 661 (1990) of all contracts for the drilling of oil wells and for the related supplies and equipment, and this has rendered Iraq powerless and unable to halt the systematic plunder or to implement plans for technical countermeasures to halt the transfer of oil.

2. The rates of depletion assumed by Kuwait for the northern fields (Rawdatayn, Sabiriyah, Bahrah, Manaqish and Umm Judayr) vary between 0.8 and 1 per cent of the remaining reserve per year while it assumes high depletion rates for the Ratkah and Safwan fields at more than 10 times the regular rates. Production from the two fields reaches 30 million barrels a year from a combined declared reserve of no more than 300 million barrels. This violates prevailing professional practice for the optimum exploitation of stocks and provides another indication of theft. It can also be explained as being due to Kuwait's frenzied activity in depleting the shared fields without any consideration for the major adverse consequences for the oil reservoirs, inasmuch as the main objective is to exhaust the fields unilaterally at the fastest possible rate and thence bring about the transfer of Iraqi oil and a fall in reservoir pressure without regard for the technical or moral implications.

The statements made by Kuwaiti officials and their endeavour to incite others against Iraq are to be regarded only as an attempt to cover up the thefts they are perpetrating. They claim that the drilling is taking place in Kuwaiti territory, but the modern drilling techniques in use and the confirmed information available to Iraq indicate that Kuwait is engaging in lateral drilling that extends for several kilometres into the Iraqi reservoirs beneath the surface of the earth. This would explain the high production levels achieved and announced by Kuwaiti officials and the Kuwaiti media, which are estimated to be in the order of 80,000 barrels a day for both fields, when prior to 1990 the Kuwaiti wells had been almost dry and had ceased production because of the high levels of reservoir water they contained.

Accordingly, we call upon Kuwait to comply with the provisions of the international agreements and conventions that regulate relations between States in the domain of oilfield exploitation and not to try to conceal its violations of those provisions by means of contrived media hype concerning imaginary and unsubstantiated threats.

I should be grateful if you would have this letter circulated as a document of the Security Council.

(*Signed*) Saeed H. **Hasan**
Ambassador
Permanent Representative